



SECRETARY OF THE ARMY
WASHINGTON
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MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Non-Core Competencies Working Group and The Third Wave

The Army must focus its energies and talents on our core competencies—functions we perform better than anyone else—and seek to obtain other needed products or services from the private sector where it makes sense. We must also aggressively support the Competitive Sourcing Initiative of the President's Management Agenda. Moreover, the Army must quickly free up resources for the global war on terrorism, and do so in a way that avoids disruptions to our core operations.

This Army initiative will differ from the previous two “waves” of public-private competitions in several key respects. The third wave will be bigger and faster. It may involve “alternatives to A-76” as well as traditional OMB Circular No. A-76 competitions. And it will involve, for the first time, functions other than base operations.

You will develop and present to me your Implementation Plans for privatizing, divesting, competing using A-76, outsourcing using “alternatives to A-76,” converting military spaces to civilian or contract, or transferring to other government agencies, non-core functions that fall under your purview. Your plans must include all non-core spaces (i.e., spaces potentially eligible for private sector performance) unless an exemption, based on disruption to core missions, is approved in writing by the ASA(M&RA). Non-core functions, although important to the Army mission, must be reviewed for the best mix and provider, focusing on the total workforce (military, civilian, contract) in the operating forces and infrastructure. Enclosure 1 provides guidance on requesting an exemption. Enclosure 2 provides guidance for developing your plans.

You will develop your plans in conjunction with the Non-Core Competencies Working Group (NCCWG) (Enclosure 3). The Non-Core Competencies Executive Steering Committee will oversee the NCCWG and will resolve all issues.

Request you identify your NCCWG member to Mr. Jim Wakefield (James.Wakefield@hqda.army.mil) by October 9, 2002. The NCCWG will develop the schedule for Implementation Plan presentations. Enclosure 4 provides the timeline.

Thomas E. White

Enclosures